UNITED NATIONS
DEVELOPMENT
PROGRAMME

UNDP
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ENGLISH

APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF
PERU

IPF:(1992-96) $13 297 000

(PER/91/018) - Development of Aeronautical Infrastructure

Date of approval by the AC:1/	19 February 1992
Expected duration:	Five years
Proposed executing agency:	International Civil Aviation Organization
Government implementing agency:	Corporacion Peruana de Aeropuertos y Aviacion Comercial S/A. (CORPAC)
Proposed UNDP contribution:	$ 300 000 Source of funds: IPF
Government cost sharing:	$ 1 785 500
Third-party cost sharing:	$ 707 900
Total UNDP budget:	$ 2 793 400

Project background

Peru's territory is divided into coastal plains, steep mountain ranges and thick jungle areas. Interconnection between major cities is most effective only via air transportation. In addition, Lima constitutes a main hub of international airlines in the region. Between 1977 and 1987 the number of national and international passengers using Peruvian airports increased from 3.7 million to 6.7 million, annually. During the same period, national and international air cargo also rose, from 91,077 to 147,176 tons annually. This trend is largely explicable by noting that in Peru air traffic is inversely proportional to the security conditions prevalent on the terrestrial means of transportation.

It is ironic, however, that despite the above stated growing national and international need, the actual conditions of the aviation subsector's infrastructure and installations have deteriorated to alarming levels. The lack of financial resources, spare parts and trained personnel have made maintenance and upgrading of equipment difficult, directly threatening aviation safety and seriously affecting travel and development efforts.

In 1981, the Government of Peru requested technical assistance under the project (PER/81/003) Development of Aeronautical Infrastructure to improve the country's capacity for planning, installing, operating and maintaining aviation facilities and support services. ICAO served as executing agency and CORPAC as the Government implementing agency. CORPAC is the state agency for the administration of operations and maintenance of commercial airport installations. The project was financed under UNDP IPF and Government and third-party cost sharing from the World Bank. Although the project achieved most of its objectives including the establishment of ATS Radar and the installation of radioaids for air navigation, some of its activities were seriously jeopardized due to the country's financial crisis during 1986. The Government's decision to cease all payments of its foreign debt resulted in the cancellation of all international credit, including a World Bank loan

1/ This Fact Sheet reflects the status of the project/revision at the time it was approved by the Action Committee; modifications to the project/revision may have occurred subsequently.

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designated for civil aviation and needed for the capital investment tied to the technical assistance.

The project (PER/91/018) is the second phase of PER/81/003. It is the result of continued efforts by the Government, ICAO and UNDP to develop this sector's capacity. Negotiations for reactivating the World Bank loan are currently underway. A tripartite meeting held in January 1989 recommended that in order to consolidate the gains made by PER/81/003, there ought to be an extension of activities to achieve the remainder/additional outputs required. In addition, an external evaluation which took place in December 1990 concluded that CORPAC's most critical aspects were those regarding the efficiency of the aeronautical telecommunication services and the training of human resources. Both aspects are considered a priority in the new UNDP/ICAO project document.

Description of project

The long-term objective of the project is to implement and consolidate aeronautical services by improving the reliability and efficiency of facilities which support the civil aviation subsector.

The immediate objectives of the project are to: (a) provide technical assistance to upgrade, update and maintain the National Aeronautical Navigation Plan such that it complies with the ICAO international standards and procedures; (b) develop an information management system for airport administration including the statistical data base and structure and procedures for airport user fees; and (c) strengthen, technically and managerially, the Centre for Aeronautical Training, especially to attain the capacity to conduct TRAINAIR courses.

Project activities will include: (a) sustaining the aeronautical services network; and (b) training CORPAC's personnel adequately to control and manage effectively and completely all technical and administrative functions.

Inputs

UNDP will provide 90 man-months of advisory assistance in aeronautical specialized areas such as: telecommunications, electronic engineering (Radar ATC), meteorology, information systems applied to civil aviation, planning of the civil aviation, TRAINAIR, airport services, etc.; training, through individual fellowships as well as in-service training; equipment, and miscellaneous costs.

Financial data

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Personnel	1 089 700
Training	749 900
Equipment	913 100
Miscellaneous	40 700
Total	2 793 400

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